



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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FCC TAKES FURTHER ACTION TO SAFEGUARD UNIVERSAL SERVICE FUND FROM RISK OF WASTE, FRAUD, AND ABUSE

Adopts Measures to Improve the Management, Administration and Oversight of the Fund

In a Report and Order released today, the Commission adopts several measures to further safeguard the Universal Service Fund from waste, fraud, and abuse. In the *Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight* proceeding, the Commission fortifies its debarment rule for parties convicted of criminal violations or found civilly liable in connection with acts arising from participation in any of the four universal service programs. Previously, the Commission's debarment rules applied only to the E-rate Program. As a result of the changes adopted in this order, bad actors who defraud the program can be prohibited from receiving funds in the High Cost, Low Income, and Rural Healthcare programs.

The Commission also strengthens its oversight of the Universal Service Fund contributions and filing process by requiring timely filing and payment and increasing the penalties for late payments and late filing. The Commission also strengthens its audit requirements by imposing document retention rules on all universal service programs and program contributors.

In addition to these rule changes designed to prevent waste, fraud, and abuse, the Commission adopts performance measures to improve the management and administration of the program. Specifically, the Commission followed through on the recommendations of the GAO to adopt performance measures for all four Universal Service Fund programs and the Administrator. These performance measures will help ensure the effective and efficient operation of the program, including quick and thorough processing of applications.

Action by the Commission by Report and Order (FCC 07-150).
WC Docket No. 05-195

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